

**LEGISLATIVE FISCAL OFFICE  
ANALYSIS OF BA-7 REQUEST  
Approved By JLCB**

**DEPARTMENT:** Executive

**AGENDA NO.:** 1

**AGENCY:** Department of Military Affairs

**ANALYST:** Ryan Guidry

<u>Means of Financing</u>		<u>Expenditures by Program</u>		<u>T. O.</u>
State General Fund:	\$0	Military Affairs	\$0	0
Interagency Transfers:	\$0	Education	\$0	0
Self-Generated Revenue:	\$157,471	Auxiliary Account	\$157,471	0
Statutory Dedications:	\$0			
Federal Funds:	\$0			
<b>Total</b>	<b><u>\$157,471</u></b>	<b>Total</b>	<b><u>\$157,471</u></b>	<b><u>0</u></b>

**I. SUMMARY/COMMENTS**

The purpose of this BA-7 request is to increase SGR authority in the Auxiliary Program to move expenditures associated with morale, welfare, and recreation (MWR) activities on-budget for the remaining 7 months of FY 18. The agency is authorized by R.S. 29:28.1(A)(3) to maintain MWR facilities, service member clubs, and exchanges on military lands. There are currently 5 installations operating MWR facilities (Camp Minden, Camp Cook, Camp Beauregard, Gillis Long Center, and Jackson Barracks), each operating with an individual checking account regulated by the U.S. Army. The expenditure of these funds is overseen by the LA National Guard MWR Council, consisting of the adjutant general or his representative and senior enlisted advisors from around the state. The proposed BA-7 request would keep the existing oversight in place, but allow the agency to deposit the balances and revenues associated with the individual MWR checking accounts into the state treasury. The MWR revenues and expenditures will be moved on-budget and flow through the state's financial system, and the existing off-budget checking accounts will be closed.

Summary of Projected FY 18 Expenditures

\$26,833	Other Compensation (for existing WAE positions providing MWR planning and oversight at facilities )
\$2,888	Related Benefits
\$10,208	Operating Services (facility and equipment maintenance)
\$117,542	Supplies (operating and recreational supplies for MWR activities)

**II. IMPACT ON FUTURE FISCAL YEARS**

Approval of this BA-7 request will result in the need to annualize the SGR appropriation to total \$269,950 in FY19 and beyond.

**III. LEGISLATIVE FISCAL OFFICE RECOMMENDATION**

The Legislative Fiscal Office recommends approval of this BA-7 request.

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**DEPARTMENT:** Children & Family Services

**AGENDA NO.:** 2

**AGENCY:** Children & Family Services

**ANALYST:** Tanesha Morgan

<u>Means of Financing</u>		<u>Expenditures by Program</u>		<u>T. O.</u>
State General Fund:	\$0	Management & Finance	\$9,631,574	0
Interagency Transfers:	\$0	Child Welfare	\$0	0
Self-Generated Revenue:	\$0	Family Support	\$0	0
Statutory Dedications:	\$9,631,574	Field Services	\$0	0
Federal Funds:	\$0			
<b>Total</b>	<b><u>\$9,631,574</u></b>	<b>Total</b>	<b><u>\$9,631,574</u></b>	<b><u>0</u></b>

**I. SUMMARY/COMMENTS**

The purpose of this BA-7 request is to increase Overcollections statutory dedication funding budget authority by \$9,631,574 in the Department of Children & Family Services (DCFS) Management & Finance Program. The funds will be used to continue the design and development of an Integrated Eligibility (IE) Solutions System with the LA Department of Health and DCFS. The system will integrate the online application process for Supplemental Nutrition Assistance Program (SNAP) and Temporary Assistance for Needy Families (TANF) with Medicaid eligibility.

The FY 18 appropriation is \$9,631,574 less than needed to cover the FY 18 estimated cost of the project, which is \$60,143,875. The BA-7 is requesting to increase DCFS's Overcollections statutory dedication funding budget authority by \$9,631,574 to cover the unfunded costs.

Note: In Act 2 of the 2017 Second Extraordinary Session, DCFS received a supplemental appropriation of \$9,991,828 from the Overcollections Fund to begin implementation of the IE project in FY 17. The original source of funds in the Overcollections Fund is from disputes with businesses that owed sales tax. However, only \$360,254 in Overcollections was disbursed to DCFS because the remaining balance (\$9,631,574) had not yet been received by the Treasury at the close of FY 17. The Treasury has indicated that sufficient funds from the disputes have been received and deposited in the Overcollections Fund to cover the request in this BA-7. Availability of these funds is subject to recognition by REC.

The FY 18 appropriation to DCFS for the IE project is:

\$4,401,665	SGF
\$33,674,723	IAT from Federal Medicaid administrative match funds
\$12,435,913	Federal funding from TANF and SNAP
\$50,512,301	Total DCFS Existing Budget for the IE project
\$9,631,574	Overcollections funding requested in BA-7
<b>\$60,143,875</b>	<b>Total FY 18 Funding for IE project in DCFS</b>

Expenditures:

<u>Existing Budget</u>	<u>BA - 7</u>	<u>Total</u>	
\$3,698,393	\$0	\$3,698,393	DCFS Salary & Benefits
\$4,326,503	\$0	\$4,326,503	OTS Project Management Officer and Staff
\$324,625	\$0	\$324,625	DCFS Operating Costs and Supplies
\$0	\$729,344	\$729,344	Public Consulting Group Contract
\$1,876,465	\$0	\$1,876,465	Hardware
\$9,210,817	\$1,577,605	\$9,210,817	Software
\$27,504,039	\$7,000,000	\$34,504,039	Deloitte Contract
\$5,473,689	\$0	\$5,473,689	DCFS Change Order Pool
<b>\$50,512,301</b>	<b>\$9,631,574</b>	<b>\$60,143,875</b>	<b>Total FY 18 IE Expense Budget in DCFS</b>

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The BA-7 increases IAT by \$7 M and Other charges by \$2,631,574.

Interagency Transfer (\$7 M) - DCFS will IAT \$7 M of Overcollections to DOA Office of Technology Services for contractual obligations with Deloitte Consulting associated with the design of the shared eligibility system. Contract deliverables in FY 18 include system design, a system testing plan, and system user training materials. The new system is scheduled to go live in FY 19.

Other Charges (\$2,631,574) - These expenses are for software and contractual obligations with Public Consulting Group (PCG) to assist with monitoring the design and development of the IE system to ensure compatibility with DCFS's in-house proprietary systems.

## **II. IMPACT ON FUTURE FISCAL YEARS**

Approval of this BA-7 request will have no impact on future fiscal years.

Note: The total cost of the IE project for DCFS is \$87,662,267 over 3 years and is being financed with Medicaid Admin, SNAP, TANF, Overcollections, and SGF dollars. The IE project will utilize Centers for Medicare & Medicaid (CMS) enhanced Medicaid match, which is approximately 90% federal and 10% state. This BA-7 allocates one time funding of Overcollections in lieu of SGF in FY18.

## **III. LEGISLATIVE FISCAL OFFICE RECOMMENDATION**

The Legislative Fiscal Office recommends approval of this BA-7 request, contingent upon REC recognition of the funds.